



General Assembly

Substitute Bill No. 5302

January Session, 2013



**AN ACT REQUIRING A COST-BENEFIT ANALYSIS OF PROPOSED
STATE-FUNDED ECONOMIC DEVELOPMENT CAPITAL
INVESTMENTS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2013*) Whenever a bond act
2 empowers the State Bond Commission to authorize bonds to be used
3 by the Department of Economic and Community Development or
4 Connecticut Innovations, Incorporated to provide grants, loans or any
5 combination thereof in excess of fifteen million dollars to any project or
6 purpose, the Office of Policy and Management shall prepare a cost-
7 benefit analysis of the economic gain to the state arising out of the use
8 of the proceeds of such bonds. Such analysis shall include, but not be
9 limited to, a tax revenue projection estimate that provides information
10 on projected tax revenues from each temporary or permanent job
11 anticipated to be created by such authorization. Said analysis shall be
12 provided to the State Bond Commission and the Office of Fiscal
13 Analysis. The State Bond Commission shall not authorize any such
14 bonds unless said analysis finds a positive economic impact for the
15 state.

16 Sec. 2. Subsection (g) of section 3-20 of the general statutes is
17 repealed and the following is substituted in lieu thereof (*Effective July*
18 *1, 2013*):

19 (g) (1) With the exception of refunding bonds, whenever a bond act
20 empowers the State Bond Commission to authorize bonds for any
21 project or purpose or projects or purposes, and whenever the State
22 Bond Commission finds that the authorization of such bonds will be in
23 the best interests of the state, it shall authorize such bonds by
24 resolution adopted by the approving vote of at least a majority of said
25 commission. No such resolution shall be so adopted by the State Bond
26 Commission unless it finds that there has been filed with it (A) any
27 human services facility colocation statement to be filed with the
28 Secretary of the Office of Policy and Management, if so requested by
29 the secretary, pursuant to section 4b-23; (B) a statement from the
30 Commissioner of Agriculture pursuant to section 22-6, for projects
31 which would convert twenty-five or more acres of prime farmland to a
32 nonagricultural use; (C) prior to the meeting at which such resolution
33 is to be considered, any capital development impact statement
34 required to be filed with the Secretary of the Office of Policy and
35 Management; (D) a statement as to the full cost of the project or
36 purpose when completed and the estimated operating cost for any
37 structure, equipment or facility to be constructed or acquired; (E) a
38 cost-benefit analysis from the Office of Policy and Management
39 pursuant to section 1 of this act that finds a positive economic impact
40 for the state, for projects or purposes that would receive more than
41 fifteen million dollars from the Department of Economic and
42 Community Development or Connecticut Innovations, Incorporated
43 pursuant to such bond act; and [(E)] (F) such requests and such other
44 documents as it or [said] such bond act requires, provided no
45 resolution with respect to any school building project financed
46 pursuant to section 10-287d or any interest subsidy financed pursuant
47 to section 10-292k shall require the filing of any statements pursuant to
48 subparagraph (A), (B), (C), (D), [or] (E) or (F) of this subdivision and
49 provided further any resolution requiring a capital impact statement
50 shall be deemed not properly before the State Bond Commission until
51 such capital development impact statement is filed. Any such
52 resolution so adopted by the State Bond Commission shall recite the
53 bond act under which said commission is empowered to authorize

54 such bonds and the filing of all requests and other documents, if any,
55 required by it or such bond act, and shall state the principal amount of
56 the bonds authorized and a description of the purpose or project for
57 which such bonds are authorized. Such description shall be sufficient if
58 made merely by reference to a numbered subsection, subdivision or
59 other applicable section of such bond act.

60 (2) The agenda of each meeting shall be made available to the
61 members of the commission not later than five business days prior to
62 the meeting at which such agenda is to be considered. The day of the
63 meeting shall count as one of the business days. The agenda of each
64 meeting, or any supporting documents included with such agenda,
65 shall include a reference to the statute or public or special act which is
66 the source of any funds to be used for any project on such agenda,
67 including any contingency funds and any reuse or reallocation of
68 funds previously approved for any other use or project, and a notation
69 of the outside source from which any funds for any such project were
70 received, if any.

71 (3) Upon adoption of a resolution, the principal amount of the
72 bonds authorized therein for such purpose or project shall be deemed
73 to be an appropriation and allocation of such amount for such purpose
74 or project, respectively, and subject to approval by the Governor of
75 allotment thereof and to any authorization for such project or purpose
76 that may otherwise be required, contracts may be awarded and
77 obligations incurred with respect to any such project or purpose in
78 amounts not in the aggregate exceeding such authorized principal
79 amount, notwithstanding that such contracts and obligations may at a
80 particular time exceed the amount of the proceeds from the sale of
81 such bonds theretofore received by the state. In any such resolution so
82 adopted, the State Bond Commission may include provision for the
83 date or dates of such bonds, the maturity of such bonds and,
84 notwithstanding the provisions of any bond act taking effect prior to
85 July 1, 1973, provision for either serial or term, sinking fund or other
86 reserve fund requirements, if any, due dates of the interest thereon, the

87 form of such bonds, the denominations and designation of such bonds,
 88 registration, conversion and transfer privileges and the terms of
 89 redemption with or without premium and the date and manner of sale
 90 of such bonds, provisions for the consolidation of such bonds with
 91 other bonds including refunding bonds for the purpose of sale as
 92 provided in subsection (h) of this section, limitations with respect to
 93 the interest rate or rates on such bonds, provisions for receipt and
 94 deposit or investment of the good faith deposit pending delivery of
 95 such bonds and such other terms and conditions of such bonds and of
 96 the issuance and sale thereof as the State Bond Commission may
 97 determine to be in the best interest of the state, provided the State
 98 Bond Commission may delegate to the Treasurer all or any part of the
 99 foregoing powers in which event the Treasurer shall exercise such
 100 powers until the State Bond Commission, by adoption of a resolution
 101 prior to exercise of such powers by the Treasurer shall elect to
 102 reassume the same. Such powers shall be exercised from time to time
 103 in such manner as the Treasurer shall determine to be in the best
 104 interests of the state and the Treasurer shall file a certificate of
 105 determination setting forth the details thereof with the secretary of the
 106 State Bond Commission on or before the date of delivery of such
 107 bonds, the details of which were determined by the Treasurer in
 108 accordance with such delegation.

109 (4) The State Bond Commission may authorize the Commissioner of
 110 Economic and Community Development to defer payments of interest
 111 or principal, or a portion thereof, in the case of a troubled loan, as
 112 defined in subdivision (1) of subsection (e) of section 8-37x, made by
 113 the commissioner under any provision of the general statutes.

This act shall take effect as follows and shall amend the following sections:

Section 1	July 1, 2013	New section
Sec. 2	July 1, 2013	3-20(g)

CE

Joint Favorable Subst. C/R

FIN